



ARDIDEN

Board of Directors

Mr Neil Hackett (Non-Executive Chairman, Joint Company Secretary)

Mr Brad Boyle (Executive Director)

Mr Piers Lewis (Non-Executive Director)

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MARCH 2016 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Option agreement to acquire 100% of Seymour Lake Lithium Project, located in Ontario, Canada, which contains high quality outcropping spodumene pegmatites, with extensive historical drilling.
- Maiden due diligence diamond drilling completed at Seymour Lake, confirming the presence of substantial lithium-bearing spodumene mineralization:
 - *All drill holes intersected the spodumene-bearing pegmatite structures;*
 - *50% of the drill core was logged as being spodumene-bearing pegmatite with zones near surface.*
- Initial assays from Seymour Lake returned encouraging results, including:
 - *45 of the 150 drill core samples analysed to date, with outstanding grades of up to 4.1% lithium dioxide (Li₂O) identified;*
 - *Significant grades of Li₂O returned in all 45 drill core samples with 22% returning results greater than 1.5% Li₂O including an 8m mineralised zone with a weighted average grade of 1.7% Li₂O; and*
 - *The first hole, SL-16-41, intersected 19m of Li₂O mineralisation with a grade greater than 0.5% Li₂O.*
- Option agreement to acquire 100% of Root Lake Lithium Project, located in Ontario, Canada, which contains high quality outcropping spodumene pegmatites, with extensive historical drilling:
 - *Includes the McCombe spodumene-bearing pegmatite and the Root Lake spodumene-bearing pegmatite, both of which were discovered in the 1950s;*
 - *The McCombe pegmatite has over 10,000m of historical diamond drilling which has confirmed the potential for high-quality spodumene mineralisation. It has been traced on surface for a strike length of 550m with widths up to 19m;*
 - *Capital Lithium Mines Ltd reported a historical McCombe deposit of 2.3Mt of Li₂O grading 1.3% (not JORC or NI 43-101 compliant). This deposit was established over less than 5% of the Root Lake Project area;*
- Highly successful drilling program completed at 100%-owned Manitouwadge Flake Graphite Project in Ontario, resulting in the discovery of the highly prospective Silver Star North prospect.
- Preliminary drilling and assay results confirm the potential for development of a high quality jumbo flake graphite project.

- **Highly successful \$1.25M capital raising completed, to underpin the due diligence program for the Seymour Lake Lithium and Root Lake Lithium Projects, and to underpin ongoing exploration activities.**

The March 2016 Quarter was another active and highly productive period for Ardiden (ASX: ADV), with the Company undertaking significant exploration and development activities across its growing portfolio of strategic and energy metal-related commodity projects in the leading mining jurisdiction of Ontario, Canada.

As announced on 6 January 2016, the Company was successful in negotiating an option agreement to acquire 100% of the advanced Seymour Lake Lithium Project located in the established mining jurisdiction of Ontario, Canada. Seymour Lake has over 4,000m of historic drilling, indicating the potential for a high quality lithium project.

On 10 February 2016, Ardiden further expanded its lithium portfolio in Ontario by securing an option to acquire a 100% of a second advanced lithium asset, the Root Lake Lithium Project. Root Lake contains extensive spodumene (lithium ore)-bearing pegmatites, over 10,000m of historical diamond drilling and a known deposit (not a JORC compliant resource).

In January, the Company announced the successful completion of a highly successful drill program at its Manitouwadge Graphite Project which resulted in the discovery of the Silver Star North prospect. Silver Star North has graphitic gneiss intercepts of over 40m, Cg grades of up to 14% and most significantly shows flake sizes with jumbo and super jumbo size characteristics, including flakes with up to 4,200 microns in width.

On 23 March 2016, completed a heavily oversubscribed Share Placement raising \$1.25 million, with the proceeds to be used to underpin completion of the due diligence program at the Seymour Lake Lithium and Root Lake Lithium projects. The Placement was strongly supported by existing shareholders and by leading global financial services group Sanlam.

SEYMOUR LAKE LITHIUM PROJECT

During the Quarter, Ardiden announced the successful execution of an option agreement to acquire 100% of the advanced **Seymour Lake Lithium Project** in Ontario, Canada, providing it with a highly complementary growth opportunity in one of the world's fastest growing commodity sectors.

The Seymour Lake Project, which is located near the town of Armstrong in Ontario, comprises five patented mining claims covering an area of 912 Ha. The Project has over 4,000m of historical diamond drilling which has confirmed the presence of extensive spodumene mineralisation (a host rock to lithium).

The proposed acquisition is consistent with Ardiden's strategy of acquiring commodity projects with exposure to structural and transformational change and outstanding market fundamentals, such as graphite and lithium, in Tier-1 mining jurisdictions. Together with its existing Manitouwadge Graphite Project, this acquisition positions Ardiden as a potential North American supplier of both of the key ingredients in the manufacture of lithium-ion batteries.

The Seymour Lake site is located within the Caribou Lake Greenstone Belt, 230km north-northeast of Thunder Bay, Ontario, Canada. The claim group is located on an all-weather, year-round, two-lane, main haulage road and the project has excellent proximity (10km) to existing rail sidings on the main CN rail line, and close proximity to a major power grid provided by Ontario Power Generation which is planning a 85MW hydro-electric project just 8km from the project.

The project is ideally located approximately 3 hours by road from Thunder Bay (see Figure 1 below), a leading mining jurisdiction in Ontario with key local infrastructure including a skilled mining workforce and excellent local logistics infrastructure.

It has strong potential to provide high quality product to service growing North American demand and export markets. The city of Thunder Bay is a mining, rail, port and infrastructure hub which is less than 100km from the US border and has existing port facilities which can also access the Atlantic and service European markets. Thunder Bay is also the main support hub for Ardiffen's Root Lake Lithium project and Manitouwadge Jumbo Flake Graphite Project, creating excellent synergies for the Company.

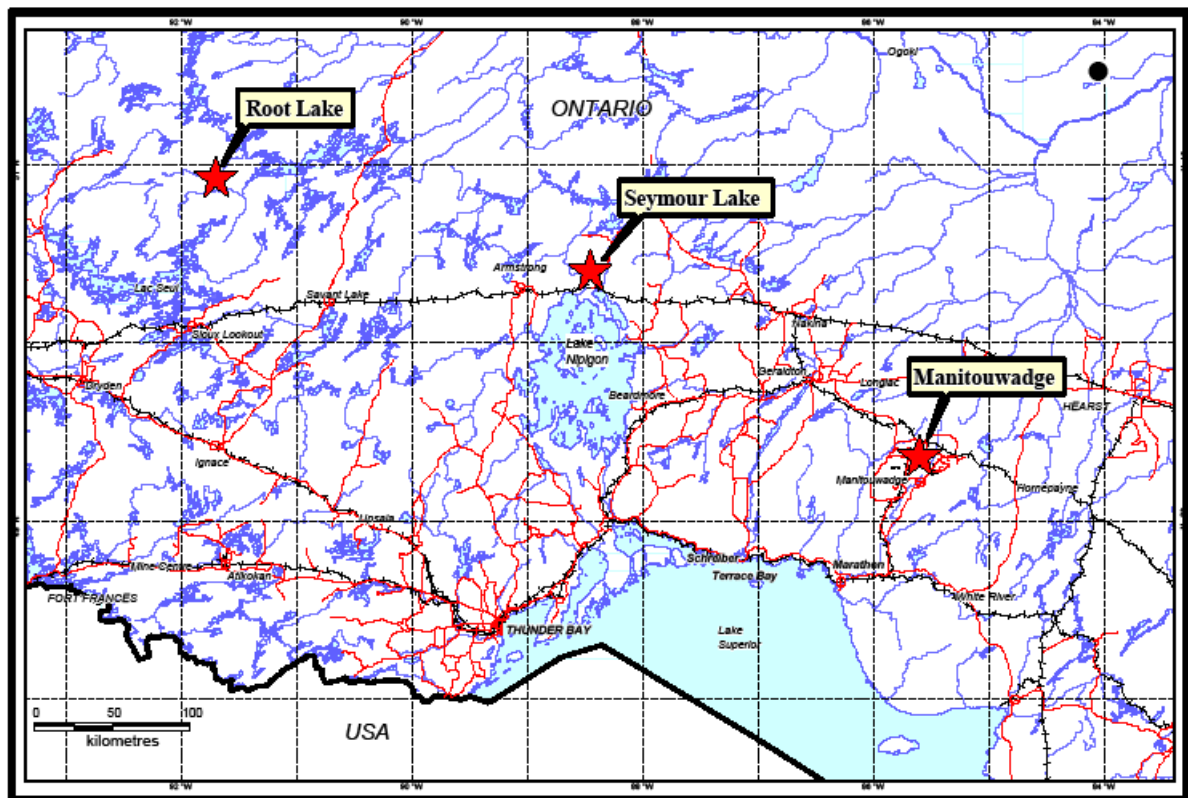


Figure 1: Location of Seymour Lake Project (230km north-northeast of Thunder Bay)

The project was originally identified for its tantalum prospectivity in the 1950s and has common geological features with the Tanco mine in Manitoba, which is Canada's only operating tantalum mine. The Seymour Lake Project has been subject to two main drill programs – a 1,865m program in 2002 and a 2,365m program in 2009. These programs confirmed the tantalum prospectivity but also identified significant high grade zones of lithium and beryllium. To date, the Project has identified two key lithium-bearing zones, North Aubry and South Aubry. The project has excellent access to infrastructure (road, rail, power, potential hydro), all within 10km. Further the location of the main pegmatite zone at surface near top of large hill provides potential for an open pit and/or ramp access.

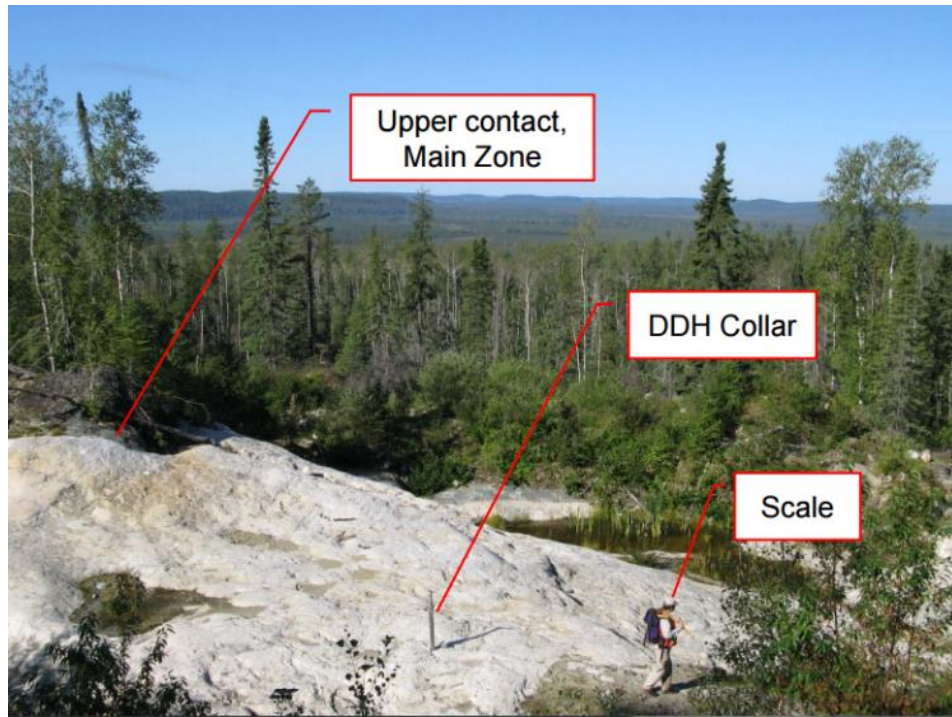


Figure 2: North Aubry – Looking Southwest showing outcropping upper contact of main zone



Figure 9-1: North Aubry Pegmatite Mineralogy

(A – abundant, large, pale green spodumene, parallel to hammer, in quartz-albite core, B – concentrated pocket of "cubic" black tantalite and blue apatite near Na-K feldspar transition, note dime for scale; C – very large pale green beryl, approximately 0.3 x 0.4 m)

Figure 3: North Aubry: Spodumene, Tantalite and Beryl in outcrop

The market for lithium-dependent products including lithium-ion batteries (for which lithium is used as the cathode) for the battery storage market (for utilities, business, households and electric vehicles) is expected to experience transformational growth over the next decade.

DEAL TERMS

Ardiden confirms the key deal terms for the option agreement (in CAD*) to acquire 100% of the Seymour Lake Project include:

1. An exclusivity/holding deposit of C\$75,000 to be paid on signing of the agreement (which amount has been paid) to commence a 150-day option and due diligence period;
2. C\$75,000 plus C\$250,000 in ADV equity (at the 20-day VWAP prior to the announcement dated 6 January 2016) to be paid at the end of a 150-day due diligence period a payment on exercising the option;
3. Following the due diligence period after Ardiden has exercised the option, the vendor will be paid in quarterly instalments of C\$25,000 per quarter to a total of a further C\$350,000;
4. A further C\$250,000 of Ardiden shares (at the 20 day VWAP prior to the announcement dated 6 January 2016) will be issued at the completion of the option agreement (or no later than 24 months from execution of option) for a total compensation of C\$1,000,000 to finalise the transfer of 100% of Seymour Lake;
5. Ardiden reserves both the right to accelerate all payments or withdraw from the option agreement at any time. The vendor will retain 100% of the Seymour Lake rights should Ardiden fail to complete any requirements of the option agreement; and
6. The property has an existing 3% net smelter royalty (NSR) held by an independent third party. The vendor maintains the option to purchase or buy back from the third party a 1.5% NSR for payment of C\$1,000,000.

DUE DILIGENCE DRILLING

On 21 March 2016, the Company confirmed the completion of its maiden diamond drilling program at the Seymour Lake lithium project.



Figure 4. Various forms of Spodumene crystals identified in the drill core samples from the Seymour Lake project



Figure 5. Drill Core from the Seymour Lake project showing multiple intersections of spodumene mineralisation in the pegmatite structures.

A review of the drill core has shown that each drill hole intersection contains substantial zones of spodumene pegmatite, many near surface with down-hole widths of mineralisation of up to approximately 30 metres, which is a very encouraging result for Ardiden.

The drilling has provided visual confirmation of the spodumene pegmatite structures, which provides further evidence supporting the historical data available from the Seymour Lake Project and will underpin the Company's due diligence review of the project.

The early intersection of substantial mineralisation within the spodumene pegmatite structures, which are near surface at the Seymour Lake Project is a very positive outcome and reaffirms the excellent potential of this project to host a JORC Compliant lithium resource.

LITHIUM ASSAY RESULTS

Subsequent to the Quarter, Ardiden announced on 18 April 2016 the initial assay results from the initial maiden due diligence drilling program (six diamond holes for 281 drilled metres) successfully intersected the spodumene-bearing pegmatite structures at the Seymour Lake Lithium Project.

Partial assay results received for two diamond drill holes from the 6-hole program have confirmed the presence of significant high-grade lithium mineralisation at Seymour Lake, highlighting the project's potential and assisting Ardiden to complete its due diligence assessment of the project.

Ardiden confirms that 45 assay results of the 150 drill core samples from the program have now been received from Actlabs laboratory in Thunder Bay. The assay results, from drill holes SL-16-41 and SL-16-44, have verified the presence of lithium mineralisation at various grades in **all samples**, with substantial encouraging grades of up to **4.1% Li₂O** being identified.

Initial logging of all six diamond drill holes **confirmed the strong presence of spodumene**, with more than 50% of the drill core (142m) being readily identified as spodumene pegmatite. 22% of all 45 drill core samples returned assay results greater than **1.5% Li₂O**.

Table 1. Weighted average grade results for drill-holes SL-16-41 to SL-16-46 at Seymour Lake Lithium Project, using a cut-off grade of 0.5% Li₂O.

Hole ID	East	North	Total Depth (m)	Dip	From (m)	To (m)	Interval (m)	Li ₂ O% (0.5% cut off)
SL-16-41	396927	5585199	45	90°	15.4	19.4	4	1.9
SL-16-41				includes	17.4	18.4	1	2.1
SL-16-41				includes	18.4	19.4	1	4.1
SL-16-41	396927	5585199	45	90°	20.4	22.4	2	2.5
SL-16-41	396927	5585199	45	90°	23.4	31.4	8	1.7
SL-16-41				includes	27.4	31.4	4	2.4
SL-16-41				includes	30.4	31.4	1	3.0
SL-16-41	396927	5585199	45	90°	34.4	35.4	1	0.6
SL-16-41	396927	5585199	45	90°	36.4	40.4	4	1.3
SL-16-44	396892	5585203	66	45°	33	35	2	0.9
SL-16-44	396892	5585203	66	45°	38	40	2	1.6
SL-16-44				Includes	38	39	1	2.7

Ardiden confirms the first diamond drill hole, SL-16-41, intersected 19 metres of Li₂O mineralisation at a grade greater than 0.5% Li₂O, and from a total 45 drilled metres. The results have also identified a sizeable 8 metre lithium mineralised zone in drill hole SL-16-41, with a weighted average grade of **1.7% Li₂O** (Refer Table 1).

As previously announced, a review of the drill core showed that each drill-hole intersection contains substantial zones of spodumene pegmatite, with multiple thick zones encountered close to surface.

The limited and targeted due diligence drilling program was completed to validate historical drill holes and to provide sufficient drill core samples in order to undertake full metallurgical analysis. These latest assay results will also assist Ardiden to define the boundaries of the main outcropping spodumene-bearing pegmatite structures which host the lithium mineralisation at the project, providing it with greater confidence in the prospectivity and potential to define a JORC Compliant lithium resource at the project.

In conjunction with visual confirmation of the spodumene pegmatite structures, these initial assay results are very encouraging – providing further evidence which supports the historical data available from the Seymour Lake Project and underpinning the Company’s due diligence review.

Subject to the successful completion of the due diligence program and now with confirmation of the presence of lithium mineralisation in the drill core samples, Ardiden will undertake more detailed metallurgical and mineralogical investigations. These investigations will allow the Company to focus on the next step of establishing the most appropriate lithium extraction methods in order to optimise the overall lithium recovery and final lithium concentrate grades.

ROOT LAKE LITHIUM PROJECT

During the Quarter, the Company confirmed the execution of an option agreement with Landore Resources Limited to acquire 100% of the advanced **Root Lake Lithium Project**, opening up a second front for lithium exploration alongside the Seymour Lake Lithium Project.

The option deals give Ardiden an outstanding opportunity to acquire two high-quality lithium projects with known spodumene mineralisation, extensive historic drilling and the potential to establish JORC compliant resources relatively quickly.

The Root Lake Project comprises 33 patent claims and three staked mining claims covering an area of 1,013 Ha. Importantly, the Project has over 10,000m of historical diamond drilling and trenching, which has confirmed the presence of extensive spodumene mineralisation (a host mineral to lithium) in two main locations.

The Root Lake Lithium Project includes the **McCombe spodumene-bearing pegmatite** and the **Root Lake spodumene-bearing pegmatite**, which are over 2km apart along strike and have potential to be connected, subject to further drilling and due diligence. The Root Lake Project is accessible via local logging roads north of Sioux Lookout and is located approximately 300km north-west of Thunder Bay, a leading mining jurisdiction in Ontario with key local infrastructure including a skilled mining workforce and excellent local logistics and infrastructure. It has strong potential to provide high quality product to supply growing North American demand and export markets.

The proposed acquisition is consistent with Ardiden’s strategy of acquiring commodity projects located in Tier-1 jurisdictions with exposure to structural and transformational change and outstanding market fundamentals (such as those required to supply the rapidly growing lithium-ion battery sector).

The proposed acquisition is highly complementary and synergistic with Ardiden’s existing projects for a number of key reasons:

- Lithium-ion batteries use lithium as the cathode and graphite as the anode. Transformational growth is predicted in the lithium-ion battery market and the ability to supply both key ingredients provides expanded growth opportunities and optionality in the future;
- The Root Lake Project can be developed by Arviden's existing experienced Ontario-based team, which has led the highly successful graphite drilling program in 2015 which made the Silver Star North discovery at the Manitouwadge Graphite Project. The team has extensive experience in exploring and developing projects in Ontario;
- All projects are located less than 4 hours drive from a key infrastructure hub at Thunder Bay which is less than 100km from the US border and has existing rail, road and port facilities which can also access the Atlantic and service European markets. Arviden's project locations in relation to Thunder Bay, the US border and Lake Superior (accessible to Atlantic and US inland ports).

The Root Lake Lithium Project includes a number of known Lithium occurrences including the McCombe pegmatite and the Root Lake pegmatite. The claims area and location of the pegmatites is shown in figure 6 below.

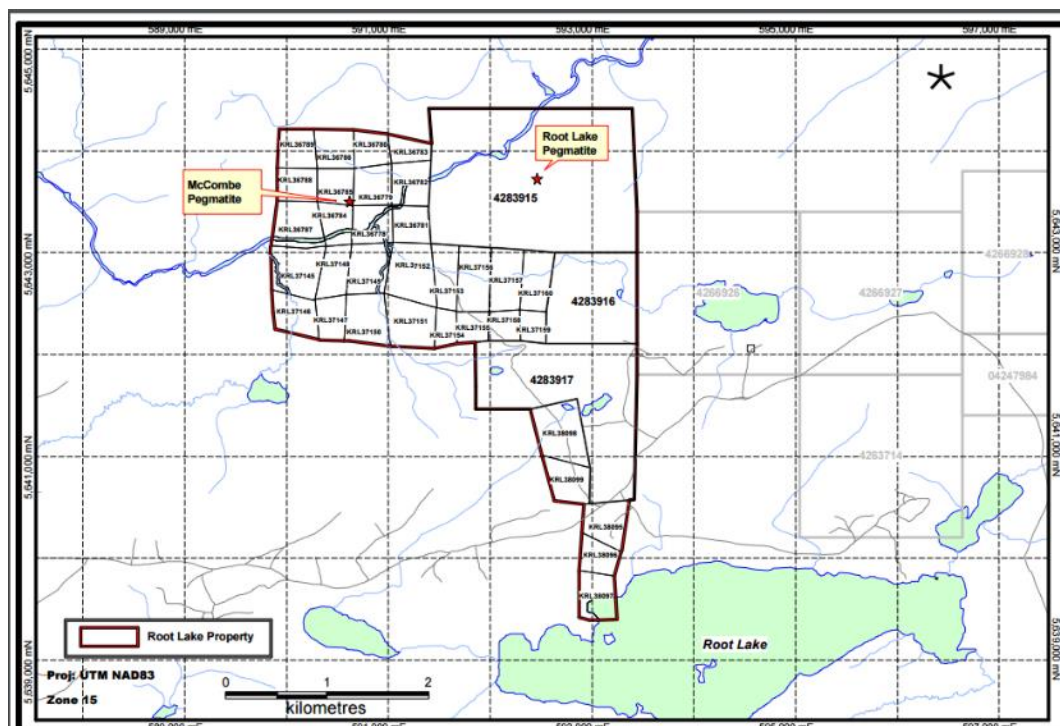


Figure 6: Root Lake Lithium Project Claims Area and location of McCombe Pegmatite and Root Lake Pegmatite

MCCOMBE SPODUMENE-BEARING PEGAMATITE

Lithium mineralization at the Root Lake Project is associated with spodumene pegmatites which are found at several locations on the property. A significant occurrence, the McCombe pegmatite, is located in the north-western portion of the Root Lake property.

Capital Lithium Mines Ltd. completed a diamond drilling programme on the Root Lake property in 1956, consisting of 55 drill holes for 10,442m. Capital Lithium Mines Ltd. outlined a 2,333,752 tonne deposit (NB: Not JORC or NI 43-101 compliant) at the McCombe pegmatite grading 1.3% Li₂O. This non-compliant deposit covers less than 5% of the Project area.

The McCombe pegmatite is located on a patent claim. Patent claims are an historical form of land tenure granted in Ontario that is more akin to freehold land and may therefore (in certain circumstances) allow for a more accelerated development pathway. A review of the Root Lake patent claims will be undertaken as part of the due diligence process.

Due diligence is underway and will include a review of available borehole logs, assay depths, drill collar coordinates, drill orientations and cross sections from the McCombe exploration. Based on this review a drill program to test the spodumene mineralisation has been planned.

ROOT LAKE SPODUMENE-BEARING PEGMATITE

The Root Lake pegmatite (located in the north-east of the Root Lake property) was originally discovered and explored by Consolidated Morrison Exploration in the 1950s with a program which included trenching and diamond drilling.

The trenching outlined a pegmatite dike over several hundred metres long and up to 9.14m wide, from which channel sampling returned up to 3% Li_2O over 9.14m.

Subsequent diamond drilling traced the dike for approximately 1200m (to the west, towards and along strike to the McCombe dyke) and the pegmatite remains open at depth and along strike. Diamond drill logs indicate the spodumene (lithium)-bearing pegmatite was intersected at thicknesses up to 17m but only two holes from the program reported lithium assays including 1.86% Li_2O over 5.64m and 2.63% Li_2O over 3.96m.

A subsequent surface sampling program at the Root Lake Pegmatite was undertaken in 2009 by Golden Dory Resources (Figure 11). Trench and chip samples reported from this program are set out in Table 2 below.



Figure 10. 1955 Historical Trench Sample

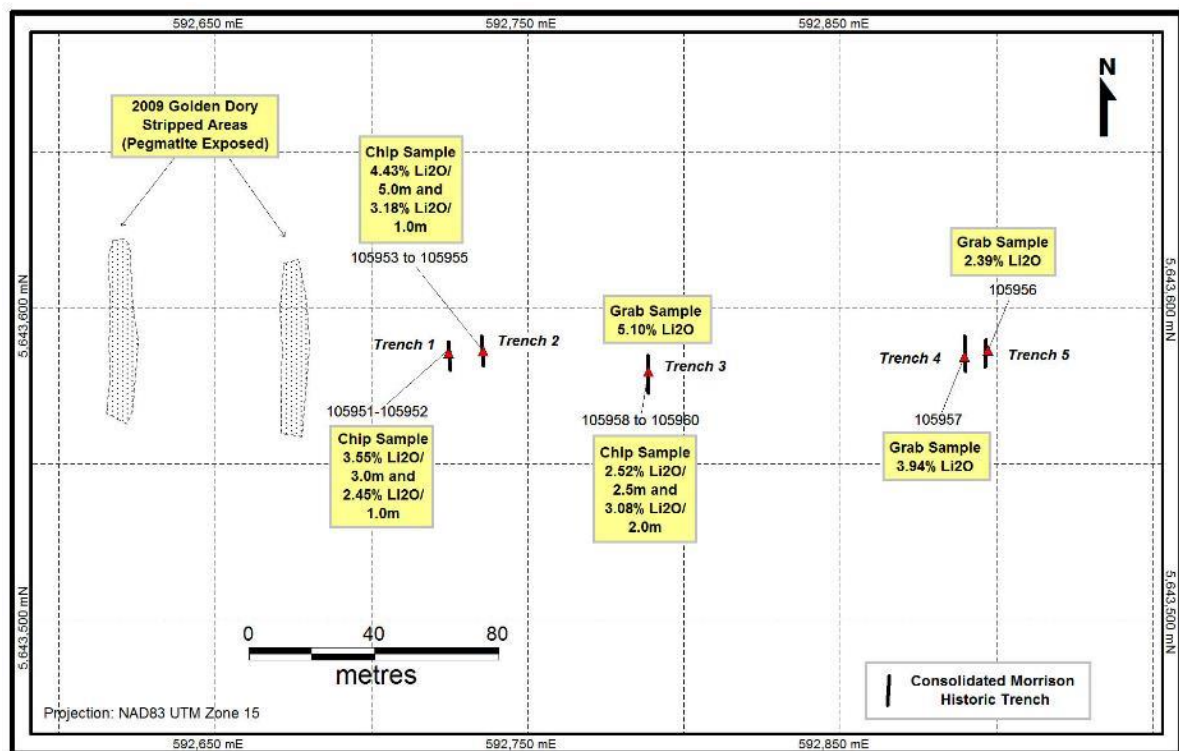


Figure 11. Root Lake Pegmatite due diligence trench sampling by Golden Dory in 2009

DEAL TERMS

Key deal terms for the option agreement (in CAD) to acquire 100% of the Root Lake Project include:

1. An exclusivity/holding deposit of C\$50,000 to be paid on signing of the agreement (which amount has been paid) to commence a 150-day option and due diligence period;
2. C\$150,000 in ADV equity (at the 20-day VWAP prior to the announcement on 10 February 2016) and C\$150,000 cash to be paid at the end of a 150-day due diligence period (subject to successful completion of due diligence) to exercise the option;
3. Ardiden reserves both the right to accelerate all payments or withdraw from the option agreement at any time. The vendor will retain 100% of the Root Lake rights should Ardiden fail to complete any requirements of the option agreement; and
4. Should Ardiden exercise the option, the vendor will retain a 3% net smelter royalty (NSR). Ardiden will retain the option to purchase or buy back a 1.5% NSR for payment of C\$1,000,000.

ROOT LAKE ADDITIONAL ACREAGE

Ardiden has applied for additional acreage at the Root Lake Lithium project to the East along strike from the highly prospective Root Lake Pegmatite. Mining claim applications totalling 729Ha of new ground have been physically staked and lodged with authorities.

MANITOUWADGE GRAPHITE PROJECT (100% OWNED)

As previously announced the preliminary results from the final 2015 drilling program at its 100%-owned Manitouwadge Graphite Project in Ontario, Canada, identifying the Silver Star North prospect as a priority focus for resource definition and further significantly upgrading the potential scale and quality of the overall project.

The Manitouwadge Project is also located in the Thunder Bay District, a leading mining jurisdiction in Ontario with key infrastructure including a skilled mining workforce, excellent infrastructure (including a rail line 10km from tenements) and sealed and logging roads providing good access to site.

The project has excellent potential to provide high quality product to service growing North American graphite demand. The city of Thunder Bay is a mining, rail, port and infrastructure hub which is less than 100km from the US border and has existing port facilities which can also access the Atlantic and service European markets.

The Silver Star North Project has provided outstanding results to date, and will now become the initial target for delineating a maiden JORC compliant resource. Silver Star North represents less than 5 per cent of the EM anomaly strike length identified at Manitouwadge, highlighting the immense potential of the landholding.

Exploration completed to date has confirmed high quality graphite coincident with strong EM anomalies along 10km of the potential 19.3km strike length identified using EM surveys. The remaining 9.3km of EM strike length was not tested in the current program and, remains highly prospective for additional discoveries during 2016 field programs.

Previous metallurgical testing taken from drill core at the Thomas Lake Road Prospect confirmed that up to 80% of the graphite is jumbo or large flake in size, and low cost gravity and flotation beneficiation produces graphite product of 96.8% Cg for jumbo flake and 96.8% Cg for large flake. Further metallurgical test work will now be undertaken on drill core from the current program to confirm that high proportions of recoverable jumbo and large flake graphite are present at Silver Star North as indicated in petrographical studies completed in the current quarter.

The results from the final 2015 drilling program are highly encouraging and have significantly enhanced and continue to support the potential of the Manitouwadge Project to be developed into a supplier of the rapidly growing large and jumbo flake graphite markets.

SILVER STAR NORTH PROSPECT

A previous geophysical review undertaken by CSA Global identified Silver Star North as an area of potential graphite prospectivity, however no known previous exploration had been undertaken in this area.

The main part of the Silver Star North EM12 target is a complex, broad >800m long zone at the eastern end of a 3km trend that contains a mix of thick and thin dyke responses, some with strong in-phase responses in the VCA coils (thin conductive dyke type responses).

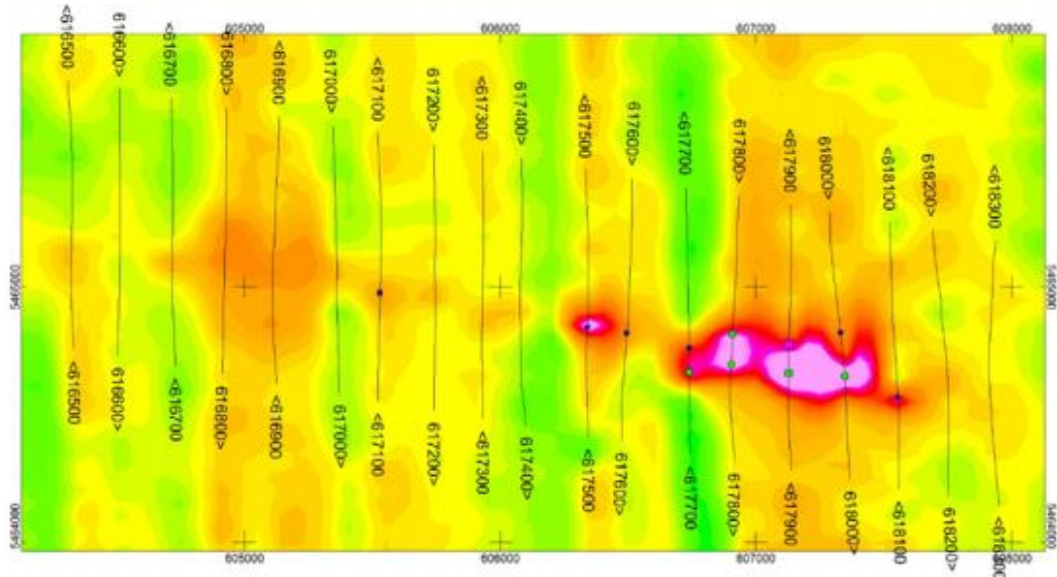


Figure 12: Silver Star North: Target EM12 image of 900Hz VCA in-phase response with OGS anomaly picks

Drilling undertaken along strike with the EM anomaly on Silver Star North has identified a graphitic gneiss with widths up to 41.6m (30m true width) and super jumbo flake graphite presence confirmed. The drilling targeted the central zone of the EM anomaly and remains open along strike and at depth.

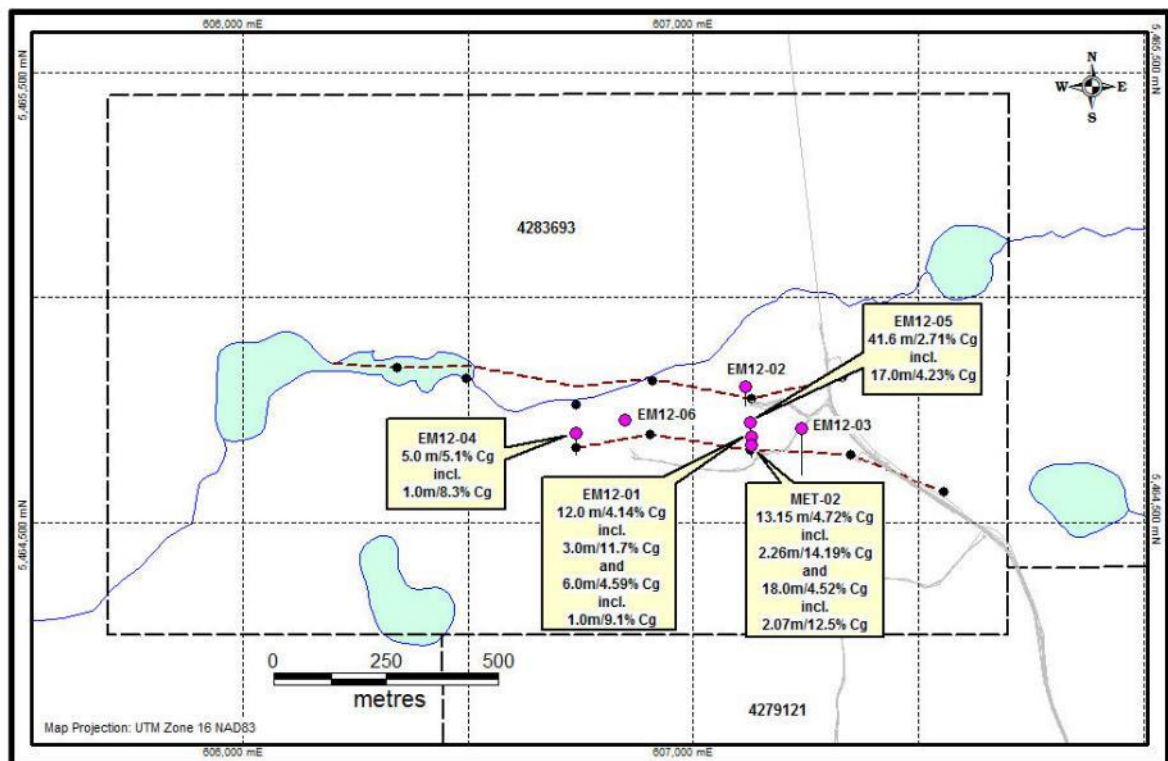


Figure 13: Silver Star North with drill holes and grades noted

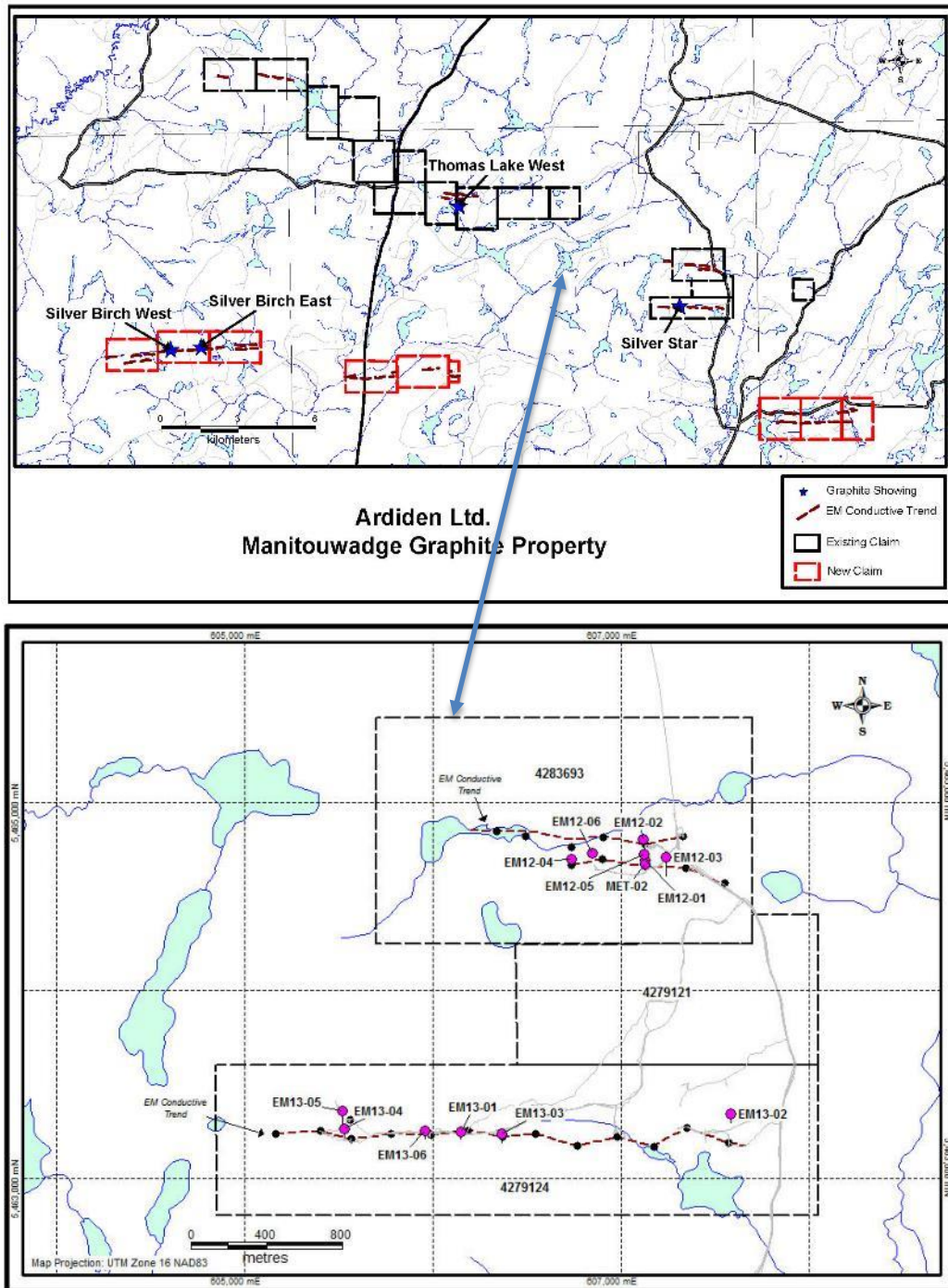


Figure 14: Manitouwadge Graphite Project showing 19km of EM anomalies (in red in upper diagram)) with graphite prospectivity. Silver Star North (EM12) prospect is shown as one of the Eastern EM anomalies

Testing of core from EM 12-05 (from Silver Star North) by Vancouver Petrographics indicates the occurrence of jumbo (>300 microns) and super jumbo (> 500 microns) flake graphite, with maximum flake sizes up to 4,200 microns identified (see Figure 4 showing drill core from EM 12-05 indicating flake sizes of 4,200 and 3,300 microns respectively). Jumbo and Super jumbo flake sizes attract a significant premium per tonne to fine and medium flake graphite.

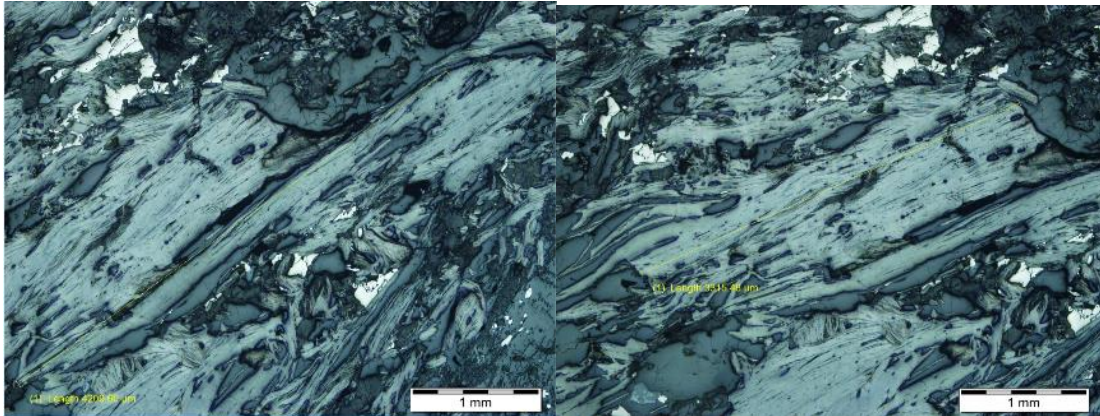


Figure 15: Petrographic slices from EM 12-05 – Flake size of 4,209 micron on left and 3,315 micron on right. Super jumbo graphite is defined as graphite with a flake size of >500 microns. (Source: Vancouver Petrographics)



Figure 16: Graphite core from current drilling at Manitouwadge graphite project in Ontario, Canada (Hole EM 12-05 at Silver Star Prospect)

OTHER GRAPHITIC ZONES AT MANITOUWADGE

In addition to the outstanding results at Silver Star North, assays from exploratory drilling at Thomas Lake and Silver Star South are also set out in Appendix 1 and present additional opportunity for further development into resource status.

A 150kg surface sample was sourced from Thomas Lake during the Northern summer which graded 11.4% Cg. In addition, grab samples at Silver Birch and Silver Star South grading up to 16.8% Cg and 11.8% Cg respectively were sourced during the October 2015 ground sampling program.

Visual graphite has been intersected during drilling at the Silver Birch showing with assay results pending. The most south-eastern EM anomalies and central southern anomalies have not been tested during the current program and are expected to be tested during 2016.

MANITOUWADGE ADDITIONAL ACREAGE

Ardiden has applied for additional acreage at the Manitouwadge Graphite Project to the West and East and along strike from the highly prospective Silver Star North Project. Mining claim applications totalling 210Ha of new ground have been physically staked and lodged with authorities. Arden confirms a number of those claims have now been accepted and approved by the MNDM. The newly staked ground includes EM anomalies that are expected to be prospective for graphite mineralisation.

The Silver Star North project showed strong prospectivity during the final 2015 drilling program with key findings including graphitic gneiss intercepts of up to 41.5m (true width 30m) and flake sizes of up to 4,200 microns identified in petrographic reporting. Refer to the ASX announcement dated 5 January 2016 for further details. The total strike length of EM anomalies with graphite prospectivity at Manitouwadge is now approximately 20km (see Figure 17 below). The total area at the Manitouwadge Graphite Project is now over 5,300 Ha.

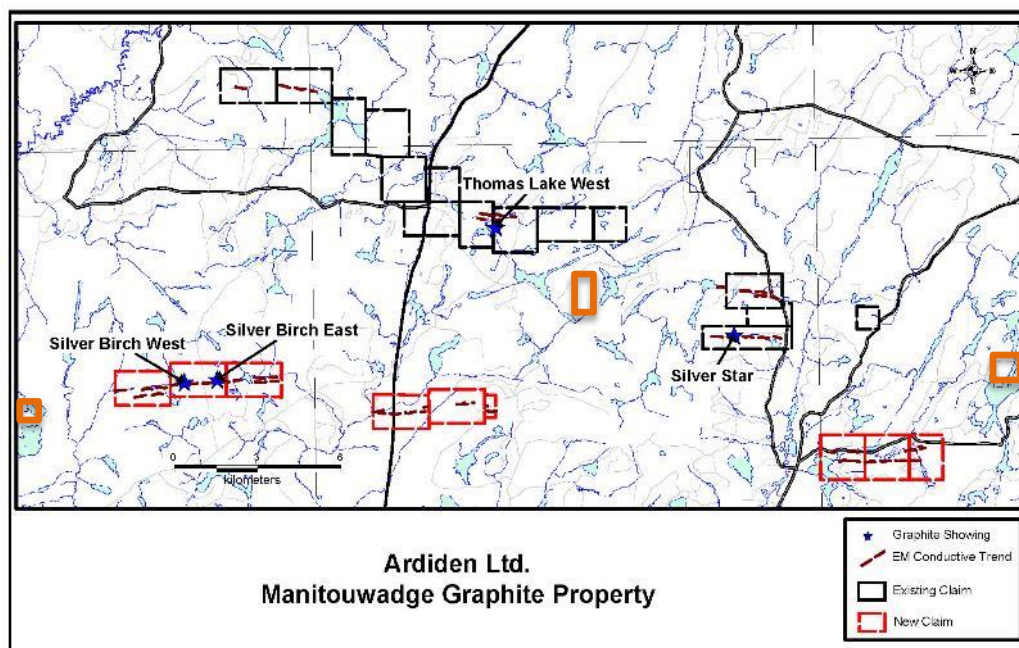


Figure 17: Manitouwadge graphite project showing approx. 20km of EM anomaly strike length and newly staked claim (in orange) along strike from Silver Star North

Planning for further drilling at Manitouwadge to target a maiden resource at Silver Star North (which represents around 5 per cent of the EM anomalies identified to date) and other unexplored areas is currently underway. In addition, samples from the recent drill program are undergoing metallurgical testing to determine the proportion of jumbo and large flake graphite at the project.

Ardiden has also recently executed a Memorandum of Understanding (“MOU”) with the Pic Mobert First Nation band regarding the future development of the Manitouwadge Graphite Project. The MOU confirms support for the project and deals with protocols for its future development including in relation to issues such as local employment and environmental considerations.

Ardiden has sought to establish strong relations with local stakeholders and in this respect has employed members of Pic Mobert during 2015 to assist with drill programs and other exploration work.

CORPORATE

On 23 March 2016, Ardiden confirmed the raising of **A\$1.25 million** through a placement of shares to key sophisticated and institutional investors in Australia and internationally (the “Placement”), with strong support from leading global investment and financial services house Sanlam Private Wealth acting as sole lead manager.

Ardiden was pleased with the very high level of demand for the Placement from both existing and new investors, with significant oversubscriptions received. The Company was originally aiming to raise A\$1 million but expanded the raising to A\$1.25 million after receiving subscriptions for more than A\$2.2 million.

As a result of this Placement, Ardiden was fully funded to rapidly progress the due diligence drilling program and assessments of the highly prospective Root Lake Lithium Project in Canada.

The funds also enabled the Company to fast-track its assessment of the high-quality Seymour Lake Lithium Project, which has already returned highly encouraging drilling results with the intersection of substantial spodumene-bearing pegmatite zones.

TENEMENT HOLDINGS

Ardiden wishes to provide the following information in relation to additional information required by Listing Rule 5.3.3 Mining tenements held at the end of the March 2016 Quarter and their location.

Mining Interest ID	Location	Project	Interest
4282603	Root Lake Area	Root Lake	100%
4282604	Root Lake Area	Root Lake	100%
4282605	Root Lake Area	Root Lake	100%
4274285	Everest Lake Area	Manitouwadge	100%
4274286	Everest Lake Area	Manitouwadge	100%
4274287	Everest Lake Area	Manitouwadge	100%
4271613	Flanders Lake Area	Manitouwadge	100%
4271624	Flanders Lake Area	Manitouwadge	100%
4279125	Flanders Lake Area	Manitouwadge	100%
4279611	Flanders Lake Area	Manitouwadge	100%
4274288	Everest Lake Area	Manitouwadge	100%
4274289	Flanders Lake Area	Manitouwadge	100%
4274282	Olie Lake Area	Manitouwadge	100%
4274283	Olie Lake Area	Manitouwadge	100%
4274284	Olie Lake Area	Manitouwadge	100%
4279101	Olie Lake Area	Manitouwadge	100%
4279121	Olie Lake Area	Manitouwadge	100%
4279124	Olie Lake Area	Manitouwadge	100%
4268932	Olie Lake Area	Manitouwadge	100%
4268933	Olie Lake Area	Manitouwadge	100%
4268935	Olie Lake Area	Manitouwadge	100%
4268936	Olie Lake Area	Manitouwadge	100%
4268952	Olie Lake Area	Manitouwadge	100%
4268953	Olie Lake Area	Manitouwadge	100%
4268975	Olie Lake Area	Manitouwadge	100%
4268976	Olie Lake Area	Manitouwadge	100%

4269015	Olie Lake Area	Manitouwadge	100%
4269016	Olie Lake Area	Manitouwadge	100%
4268977	Ramsay Wright	Manitouwadge	100%
4268934	Thomas Lake Area	Manitouwadge	100%
4268978	Thomas Lake Area	Manitouwadge	100%
4268979	Thomas Lake Area	Manitouwadge	100%
SKP KPD #7	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #21	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #22	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #23	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #24	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #25	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #26	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #27	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #28	West Belitung, Belitung Island, Indonesia	Yinchen	30%*
IUP-OP #29	West Belitung, Belitung Island, Indonesia	Yinchen	30%*

* Ardiden signed definitive documentation to acquire 60% of Yinchen project interest in a jointly owned vehicle with Metacorp / Tennant.

Competent Person Statement

The information in this report has been reviewed by Mr Paul Nielsen who is a member of the Association of Professional Geoscientists of Ontario. Mr Nielsen has more than five years relevant exploration experience, and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Nielsen consents to the inclusion of the information in this report in the form and context in which it appears.

The information in this report that relates to exploration results on the Seymour Lake project is extracted from the reports entitled ASX Release "Highly Successful Drilling Program Completed at Manitouwadge" created 5 January 2016, ASX Release "Ardiden Secures Advanced Lithium Project in Canada", created 6 January 2016, ASX Release "Update on Canadian Lithium and Graphite Projects", created 11 January 2016, ASX Release "Canadian Lithium Portfolio Expands Further With Acquisition of Advanced Root Lake Project" created 10 February 2016, ASX Release "Thick Spodumene-Bearing Zones Intersected At Seymour Lake Lithium Project, Canada" created 21 March 2016, ASX Release "Ardiden Fully-Funded For Upcoming Lithium Drilling Programs Following Highly Successful Capital Raising", created 23 March 2016 and is available to view on www.ardiden.com.au. The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement

Forward Looking Statement

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this presentation are to Australian currency, unless otherwise stated. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities.

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